

JUNE 2000 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>June 2000</u>	Fiscal Year <u>Total</u>
Individual Income Tax		
Net Collections	\$223,455,875	\$1,911,617,932
Percent Change	27.8%	8.8%
Corporate Income Tax		
Net Collections	\$98,175,872	\$523,181,563
Percent Change	(12.5%)	(4.1%)
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$247,172,117	\$2,817,525,828
Change	11.1%	9.8%
Total Big Three Tax Types		
Net Collections	\$568,803,864	\$5,252,325,323
Percent Change	11.6%	7.9%

TAX FACTS

June 2000

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	June 2000	June 1999	% Change
Gross Collections	\$80,134,600	\$70,011,149	14.5%
Withholding	201,450,895	170,647,698	18.1%
Refunds	(26,653,704)	(37,519,471)	(29.0%)
Urban Revenue Sharing	(31,475,916)	(28,359,221)	11.0%
Net Collections	\$223,455,875	\$174,780,155	27.8%

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Gross Collections	\$817,545,878	\$758,925,529	7.7%
Withholding	2,253,705,597	2,056,475,429	9.6%
Refunds	(781,922,555)	(717,771,496)	8.9%
Urban Revenue Sharing	(377,710,989)	(340,310,656)	11.0%
Net Collections	\$1,911,617,932	\$1,757,318,805	8.8%

Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$1,454 for June and \$18,161 for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$0.151 million.

Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. The law firm of Bonn, Lusher, Padden & Wilkins had obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This hold-back order only applies to years beginning with 1985. The amount withheld is equal to \$0 for the month of June and \$8,160 for the fiscal year. Of the \$1,644 refunds issued during the month of June, all were manual corrections made for withholding 20% of taxpayer refunds prior to the temporary restraining order. The total amount refunded in for the fiscal year, including the manual corrections described above is \$33,598. In addition to this amount, \$0 available credits were used to cover outstanding agency debts.

Individual Income Tax Document Count

In calendar year 1999, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	TOTAL
#	39,865	1,323,254	69,417	104,001	92	39,500	336,335	17,266	162,772	2,092,502
%	1.9	63.3	3.3	5.0	0.0	1.9	16.1	8.9	7.8	

In calendar year 2000 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	OTHER	TOTAL
#	25,984	1,228,468	56,589	99,647	21	32,088	322,445	15,632	182,027	2	1,962,903
%	1.3	62.6	2.9	5.1	0.0	1.6	16.4	0.8	9.3	0.0	

The 1,962,903 returns filed through June compares to 1,905,749 returns filed during the same period of time in 1999 for an annual increase of 3.0%. This count represents multiple tax years. For tax year 1999 filed in 2000, 1,906,298 returns have been filed, this represents a 2.9% increase from 1998 returns filed in 1999 during the same period of time.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,338,614 returns in calendar year 2000 for tax year 1999 from filers who also have returns on record from calendar year 1998 with the same marital status. On average, these filers experienced a 5.8% growth in FAGI and a 6.4% increase in tax liability. More specifically, 34.5% of these filers experienced a decrease in tax liability; on average a decrease of 39.4% with a corresponding average decrease in FAGI of 22.0%. Filers showing an increase in tax liability totaled 733,701, or 54.8%, with an average FAGI increase of 29.6% and an average tax liability increase of 54.4%.

Average Individual Income Tax Refund

	Average	Number
2000 CYTD	\$538.07	1,256,904
1999 CYTD	\$512.31	1,237,934
% Change	5.0%	1.5%

"New" Filers in Calendar Year 1999

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2000. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 214,307 "new" returns have been filed thus far in 2000, representing approximately 255,745 persons, not including dependents. The average Federal Adjusted Gross Income for these 214,307 returns is \$18,224, with an average tax liability of \$305. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 18.5% had a married filing joint filing status, 7.5% claimed a 65 And Over Exemption and 30.3% claimed dependents.

Individual Income Tax Estimated Payments

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1999 was \$342.9 million, for an average of \$1,677. A total additional \$56.7 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,692. Estimated payments received during June for tax year 2000 are as follows:

6/00	140ES payment	N/A	Cumulative	\$27,226,737
6/99	140ES payment	\$3,857,992	Cumulative	\$49,525,763
	Percent change	N/A		(45.0%)
6/00	Average payment	N/A	Cumulative	\$878
6/99	Average payment	\$666	Cumulative	\$1,004
	Percent change	N/A		(12.5%)
6/00	Applied refund	N/A	Cumulative	\$23,015,374
6/99	Applied refund	\$2,087,881	Cumulative	\$20,149,045
	Percent change	N/A		14.2%
Total 6/00		\$3,207,326	Cumulative	\$50,242,112
Total 6/99		\$5,945,874	Cumulative	\$69,674,808
	Percent change	(46.1%)		(27.9%)

Withholding

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from September 1998 through December 1999, \$534,654,558 was received for the fourth quarter of 1998. The latest complete quarter (15 months of information has been compiled) is the second quarter of 1999, which shows a growth rate of 9.8% in withholding payments over the first quarter of 1998. Growth in quarters for which information is still being gathered is as follows:

3 rd Quarter 1999	9.0%	1 st Quarter 2000	14.3%
4 th Quarter 1999	9.9%	2 nd Quarter 2000	9.5%

The comparisons made above were against the same number of months of collections in the previous year. In other words, the sixth month of information available for the first quarter of 2000 was compared against the sixth month of collections for the first quarter of 1999. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2000	15,460	\$4,859,218	\$314.31
Calendar Year 1999	16,915	\$5,190,421	\$306.85
% Change	(8.6%)	(6.4%)	2.4%

Clean Elections

As a result of the November 1998 voter approval of the Citizens Clean Elections, Arizona's income taxpayers can make a donation to the Citizens Clean Elections Commission through an income tax check-off or through a voluntary donation. Since the voter approval was not validated by the Federal Elections Commission until mid 1999, the 1998 tax forms did not carry these options. For tax year 1998, filed in 1999, these options are available.

	June 2000	Year to Date
Check Off	\$373,068	\$1,746,822
Voluntary Donation	\$2,255	\$49,809
Number of Returns	50,475	235,395

Contributions on the Individual Income Tax Return

Through June 2000, individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	11,464	\$170,489	\$14.87
Child Abuse	12,703	\$197,210	\$15.52
Special Olympics	6,001	\$79,930	\$13.32
Neighbors Helping	3,579	\$44,218	\$12.35
AID to Education	448	\$17,964	\$40.10
Domestic Violence Shelter	9,076	\$132,338	\$14.58
Democratic Party	685	\$9,664	\$14.11
Republican Party	489	\$12,167	\$24.88
Libertarian Party	123	\$2,466	\$20.05
Reform Party	16	\$179	\$11.19

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	June 2000	June 1999	% Change
Gross Collections	\$107,346,726	\$116,170,184	(7.6)
Refunds	(\$9,170,854)	(\$3,934,833)	133.1
Net Collections	\$98,175,872	\$112,235,352	(12.5)

Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
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Gross Collections	\$635,889,257	\$641,668,650	(0.9)
Refunds	(\$112,707,694)	(\$96,280,512)	17.1
Net Collections	\$523,181,563	\$545,388,138	(4.1)

Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

June 2000	\$101,714,938	Calendar Year Total	\$240,894,072
June 1999	\$108,372,716	Calendar Year Total	\$266,229,925
% Change	(6.1%)	% Change	(9.5%)

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for June 2000 and for the fiscal year.

Size of Payment →	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
June 2000	555	79	92	12	18	0	756	1.5
June 1999	552	82	91	7	12	1	745	
CY 2000	1,584	225	235	40	35	0	2,119	5.0
CY 1999	1,533	207	221	30	25	2	2,018	

Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 98/99, 3.8% of the refund dollars paid were for corporate fiscal years ending in 1994 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	94 & Prior	95	96	97	98	99
FY 98/99	3.8%	2.1%	3.9%	66.5%	23.1%	0.6%

Corporate Fiscal Year-End:	95 & Prior	96	97	98	99	00
FY 99/00	5.0%	1.5%	4.4%	62.8%	26.1%	0.3%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

June 2000	\$4,578,440	Calendar Year Total	\$24,874,532
June 1999	\$2,664,955	Calendar Year Total	\$24,756,639
% Change	71.8%	% Change	0.5%

Corporate Income Tax Document Count

The Arizona Department of Revenue received 95,415 corporate returns showing a fiscal year-end of 1998. The type of return received is indicated below:

	120X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)
#	384	52,087	42,587	357
%	0.4	54.6	44.6	0.4

Through June 2000, 38,563 documents have been received for a fiscal year-end of 1999, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	105	26,668	7,532	149	4,109
%	0.3	69.2	19.5	0.4	10.7

The figures shown above for the 1999 returns are most meaningful when compared to 1998 returns received during the same period of time in the previous year. Through June 1999, the Arizona Department of Revenue received 64,004 documents with a fiscal year-end of 1998. This represents a 39.7% decrease in corporate returns received at this point of time in the calendar year **and is a result of processing problems.**

Urban Revenue Sharing Returned to Cities/Towns

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.8% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 1999/2000 is based on net income tax collections in Fiscal Year 1997/1998. Amounts returned for June 2000 are shown on Table 2, at the end of this report.

TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Due to new legislation, mining severance is now 100% distribution base. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	June 2000	June 1999	% change
Distribution Base	\$104,828,049	\$95,502,147	9.8
Non shared	195,949,442	176,615,798	10.9
Use Tax	15,279,754	12,993,173	17.6
Other Revenues	37,657,630	34,128,217	10.3
Total Collections	\$353,714,875	\$319,239,335	10.8

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% change
Distribution Base	\$1,195,140,016	\$1,089,608,974	9.7
Non shared	2,229,993,022	2,042,221,022	9.2
Use Tax	176,905,462	148,070,856	19.5
Other Revenues	438,786,286	355,260,340	23.5
Total Collections	\$4,040,824,785	\$3,635,161,191	11.2

Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non shared revenue and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	June 2000	June 1999	% change
Retained by State	\$247,172,117	\$222,547,661	10.1
Returned to Counties	42,597,121	38,687,920	10.1
Returned to Cities	26,288,007	23,875,537	10.1
Other	37,657,630	34,128,217	10.3
Total Collections	\$353,714,875	\$319,239,335	10.8

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% change
Retained by State	\$2,817,525,828	\$2,566,098,011	9.8
Returned to Counties	485,126,158	441,400,596	9.9
Returned to Cities	299,386,513	272,402,244	9.9
Other	438,786,286	355,260,340	23.5
Total Collections	\$4,040,824,786	\$3,635,161,191	11.2

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	June 2000	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	5%	\$416,014	15.6	\$2,831,017	(2.9)
Non-Metal Mining/Oil & Gas	3.125%	599,969	21.4	6,060,428	(5.3)
Utilities	5%	22,174,193	19.5	263,410,399	4.0
Communications	5%	11,047,024	22.6	122,654,689	13.9
Railroads/Aircraft	5%	113,126	7.7	1,644,289	(8.8)
Private Car/Pipelines	5%	28,675	(68.7)	280,600	(63.9)
Publishing	5%	480,466	(23.9)	5,617,894	(5.6)
Printing	5%	1,821,033	(4.7)	20,933,880	0.0
Restaurants/Bars	5%	26,777,182	8.3	298,817,599	9.1
Amusements	5%	2,693,632	2.6	37,941,158	11.6
Commercial Lease	0%	94,868	19.9	14,529,367	N/A
Rental of Personal Property	5%	14,562,170	4.9	170,649,797	7.7
Contracting	3.75% - 5%	47,295,782	9.6	542,357,793	8.2
Feed Wholesale	Repealed	88	50.6	1,793	(41.7)
Retail	5%	162,583,031	11.2	1,820,192,612	10.4
Advertising	0	0	N/A	343	N/A
Mining Severance*	2.5%	615,465	(62.8)	12,039,566	(35.7)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	859	(61.0)	12,922	(67.9)
Hotel/Motel	5.5%	8,981,121	9.8	100,016,065	8.3
Membership Camping	5%	3,486	(15.3)	70,563	(16.1)
Use/Use Inventory	5%	15,279,238	18.1	176,566,264	19.3
Rental Occupancy Tax	3%	11,886	83.3	112,014	(5.0)
Jet Fuel Tax	\$.0305/\$.0105 gal	431,161	(4.6)	5,197,266	5.2
Telecommunications Devices:	1.1				
Telecom. Fund for the Deaf	----	407,929	(1.5)	4,960,224	4.3
Poison Control Fund	----	150,878	(1.5)	1,834,603	(3.8)
911 Excise	1.25%	667,913	2.8	7,846,056	(4.0)
911 Wireless Service	\$0.10 monthly per activated service	153,322	41.3	1,507,573	27.6
Total		\$317,390,509	10.8	\$3,618,086,774	9.8

*Beginning with December 1999 the mining severance tax base has changed.

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

Transaction Privilege and Severance Tax Taxable Sales By Class¹

	June 2000	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	\$8,320,272	15.6	\$56,620,330	(2.9)
Non-Metal Mining/Oil & Gas	19,199,013	21.4	193,933,697	(5.3)
Utilities	443,483,852	19.5	5,268,207,981	4.0
Communications	220,940,471	22.6	2,453,093,781	13.9
Railroads/Aircraft	2,262,527	7.7	32,885,789	(8.8)
Private Car/Pipelines	573,498	(68.7)	5,612,007	(63.9)
Publishing	9,609,321	(23.9)	112,357,871	(5.6)
Printing	36,420,669	(4.7)	418,656,644	0.0
Restaurants/Bars	535,543,632	8.3	5,976,371,272	9.1
Amusements	53,872,648	2.6	758,823,163	11.6
Commercial Lease	7,829,312	36.7	659,118,461	N/A
Rental of Personal Property	291,243,401	4.9	3,412,970,658	7.7
Contracting	945,915,633	9.6	10,848,533,254	8.3
Feed Wholesale	18,712	50.6	382,271	41.7
Retail	3,251,661,200	11.2	36,402,351,239	10.4
Advertising	0	N/A	0	N/A
Mining Severance*	24,618,586	(62.8)	481,582,633	(35.7)
Timber Severance	0	0.0	0	0.0
Hotel/Motel	163,293,107	9.8	1,818,473,902	8.3
Membership Camping	69,723	(15.3)	1,411,253	(16.1)
Use/Use Inventory	304,974,599	18.6	3,514,618,016	19.1
Rental Occupancy Tax	396,212	83.3	3,778,808	(3.9)
Total	\$6,320,246,390	10.5	\$72,419,783,031	10.3

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table, are not elements of calculated taxable income and therefore, are not included in the above table. The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In June 2000, 15,153,581 gallons of jet fuel were taxed, an 9.6% decrease from the 16,764,418 reported for May 1999. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

Accounting Credit

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in June 2000 was \$1,520,188 a 6.2% increase from the \$1,295,653 claimed in May 1999. Accounting credits claimed-to-date in FY 99/00 equals \$16,243,263 a 11.8% increase from the \$14,526,799 a claimed during the same period in FY 98/99.

¹These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

*Beginning with December 1999, the mining severance tax base has changed.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Cosco might be considered both a grocery store and a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>June 2000</u>	<u>June 1999</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$183,408,566	\$171,794,548	6.8
5311-5399	general merchandise stores	303,035,009	328,230,643	(7.7)
5411-5499	food stores (no food sales)	289,543,640	243,642,775	18.8
5511-5521	motor vehicle dealers	620,012,654	523,810,460	18.4
5531-5599	misc. automotive, motorcycle & boat stores	174,075,024	169,807,357	2.5
5611-5699	apparel & accessory stores	181,832,332	173,262,590	4.9
5712-5733	furniture, home furnishings & equipment stores	169,234,793	152,591,054	10.9
5912-5949	misc. retail stores	214,454,281	203,292,878	5.5
TOTAL		\$3,251,660,630	\$2,924,372,416	11.2

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>FY 2000</u>	<u>FY 1999</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$1,995,314,823	\$1,824,639,717	9.4
5311-5399	general merchandise stores	3,780,208,411	3,610,876,469	4.7
5411-5499	food stores (no food sales)	2,888,517,560	2,763,330,249	4.5
5511-5521	motor vehicle dealers	6,451,600,821	5,496,081,166	17.4
5531-5599	misc. automotive, motorcycle & boat stores	1,867,269,118	1,739,030,403	7.4
5611-5699	apparel & accessory stores	2,183,224,586	2,108,580,040	3.5
5712-5733	furniture, home furnishings & equipment stores	2,004,367,158	1,810,483,874	10.7
5912-5949	misc. retail stores	2,657,024,297	2,442,025,222	8.8
TOTAL		\$36,403,852,233	\$32,964,429,309	10.4

Transaction Privilege and Severance Tax Returned to Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for June 2000 is shown in the County Share column.

	Dist. Base Collections	County Share	% of Total	FYTD County Share	% Chg
Apache	\$236,756	\$348,561	0.8	\$5,473,442	53.5
Cochise	1,427,176	810,343	1.9	9,229,981	10.0
Coconino	2,936,573	1,233,996	2.9	13,841,588	9.0
Gila	467,317	302,560	0.7	3,882,098	(4.6)
Graham	346,326	208,935	0.5	2,412,735	7.4
Greenlee	592,427	250,687	0.6	3,098,540	(4.0)
La Paz	226,382	124,486	0.3	1,486,269	4.6
Maricopa	72,020,590	27,236,915	63.9	306,464,900	10.4
Mohave	2,375,871	1,127,236	2.6	12,938,817	6.1
Navajo	1,452,571	677,245	1.6	7,748,173	8.6
Pima	15,412,913	6,613,488	15.5	76,273,737	8.9
Pinal	1,885,094	1,027,985	2.4	11,582,587	5.1
Santa Cruz	599,330	279,813	0.7	3,180,054	7.1
Yavapai	3,032,219	1,425,183	3.3	16,154,370	13.6
Yuma	1,816,504	929,688	2.2	11,358,869	8.2
Total	\$104,828,049	\$42,597,121		\$485,126,158	9.9%

Transaction Privilege and Severance Tax Returned to Cities/Towns

The portion of transaction privilege and severance tax returned to each incorporated city or town for June 2000 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during June 2000 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in December 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Stadium Tax	RV Surcharge	Hospital Tax
Apache		\$72,453					
Cochise		\$398,254					
Coconino		\$752,642	\$451,858				
Gila	\$212,745	\$207,833					
Graham		\$99,913					
Greenlee		\$55,783					
La Paz		\$65,028	\$65,402				
Maricopa	\$21,291,975		\$7,886,785	\$521,226	\$18,233		
Mohave		\$330,423					
Navajo		\$407,296					
Pima				\$112,459		\$8,384	
Pinal	\$551,762	\$511,394					
Santa Cruz		\$167,286					
Yavapai		\$870,854					
Yuma		\$520,330	\$516,996				

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in June 2000. The table compares the receipts to June 1999 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	June 2000	June 1999	% Change
Spirituous	\$1,609,011	\$1,604,268	0.3
Vinous	582,322	594,416	(2.0)
Malt	1,933,053	1,724,419	12.1
Cigarette	13,662,970	13,256,347	3.1
Other Tobacco	304,985	296,425	2.9
Tobacco Licenses	100	175	(42.9)
Total	\$18,092,441	\$17,476,050	3.5

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Spirituous	\$20,587,605	\$19,648,670	4.8
Vinous	9,026,326	7,969,428	13.3
Malt	21,309,231	20,534,013	3.8
Cigarette*	155,753,410	159,299,028	(2.2)
Other Tobacco	3,668,347	3,531,980	3.9
Tobacco Licenses	7,175	7,175	0.0
Total	\$210,352,094	\$210,990,294	(0.3)

*Through June 2000, \$310,931 of Cigarette and Tobacco tax collections has been allocated for administrative expenses and is not reflected in fiscal year collections.

General Fund revenues from luxury taxes:

	June 2000	FY (99/00)
Spirituous	\$1,126,308	\$14,411,323
Vinous	145,328	2,251,282
Malt	483,263	5,327,306
Cigarette	3,757,592	42,870,465
Other Tobacco	47,273	568,594
Tobacco Licenses	100	7,175
Total	\$5,559,864	\$65,436,145

Other dedicated revenues from luxury taxes:

	June 2000	FY (99/00)
Correction Fund revenues	\$2,365,234	\$25,471,377
Health Care Fund revenues	9,376,841	109,786,025
Wine Promotional Fund revenues	1,010	21,197
Drug Treatment & Education Fund revenues	565,216	6,897,717
Corrections Revolving Fund revenues	224,276	2,739,633

Estate Tax

	June 2000	\$6,978,747	Fiscal year To Date	\$80,644,330
	June 1999	<u>\$7,747,674</u>	Fiscal year To Date	<u>\$87,250,098</u>
% Change		(9.9%)	% Change	(7.8%)

Private Car

	June 2000	\$0	Fiscal year To Date	\$1,476,728
	June 1999	<u>\$0</u>	Fiscal year To Date	<u>\$1,441,440</u>
% Change		N/A	% Change	2.4%

Bingo

	June 2000	\$46,142	Fiscal year To Date	\$677,036
	June 1999	<u>\$46,107</u>	Fiscal year To Date	<u>\$717,830</u>
% Change		0.0%	% Change	(5.7%)

Unclaimed Property

	June 2000	(\$14,788,291)	Fiscal year To Date	\$4,208,667
	June 1999	<u>(\$8,560,182)</u>	Fiscal year To Date	<u>\$2,084,512</u>
% Change		72.8%	% Change	101.9%

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

TABLE 1
“New” Returns Filed in 2000 for Tax Year 1999
Through June 2000

Federal Adjusted Gross Income Bracket	Number of Returns	% of Total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	947	0.4%	(\$18,664)	\$5	23.2%	66.6%	6.4%	3.7%	17.4%	13.2%
\$0-\$5,000	52,546	24.5%	\$2,705	\$1	3.0%	87.8%	8.4%	0.9%	2.5%	11.2%
\$5,000-\$10,000	48,345	22.6%	\$7,361	\$30	6.8%	71.8%	19.8%	1.6%	5.5%	26.0%
\$10,000-\$15,000	32,733	15.3%	\$12,368	\$96	15.0%	53.4%	29.2%	2.4%	9.1%	39.1%
\$15,000-\$20,000	22,850	10.7%	\$17,309	\$179	22.8%	44.8%	29.3%	3.1%	10.5%	42.7%
\$20,000-\$25,000	14,442	6.7%	\$22,350	\$306	26.4%	44.3%	25.4%	3.8%	9.1%	42.3%
\$25,000-\$30,000	9,692	4.5%	\$27,358	\$433	30.3%	42.6%	22.3%	4.8%	8.4%	41.5%
\$30,000-\$40,000	11,721	5.5%	\$34,445	\$604	39.3%	38.9%	17.6%	4.2%	9.9%	40.7%
\$40,000-\$50,000	6,958	3.2%	\$44,600	\$834	50.9%	31.5%	14.4%	3.2%	11.8%	43.1%
\$50,000-\$75,000	8,395	3.9%	\$60,246	\$1,222	64.5%	25.0%	8.2%	2.3%	14.7%	41.7%
\$75,000-\$100,000	2,871	1.3%	\$85,358	\$1,937	71.7%	21.1%	5.4%	1.9%	18.0%	40.8%
\$100,000-\$200,000	2,213	1.0%	\$130,161	\$3,515	71.1%	21.4%	5.5%	2.0%	19.6%	39.0%
\$200,000-\$500,000	477	0.2%	\$284,923	\$10,015	68.3%	25.1%	5.6%	1.0%	25.5%	31.9%
\$500,000-\$1,000,000	76	0.0%	\$669,939	\$28,326	65.8%	21.1%	5.3%	7.9%	26.3%	26.3%
\$1,000,000 and over	41	0.0%	\$2,371,408	\$111,166	80.5%	12.2%	4.9%	2.4%	14.6%	29.3%
Total	214,307		\$18,224	\$305	18.5%	60.5%	18.8%	2.3%	7.5%	30.3%

NEW RETURNS FILED IN 1999 FOR TAX YEAR 1998

Total	228,194		\$17,402	\$289	18.4%	59.3%	19.8%	2.5%	7.4%	32.4%
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“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

*Information cannot be released due to confidentiality laws.

TABLE 2
Urban Revenue Sharing Returned to Cities/Towns
June 2000

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,552,938	168,176
Eagar	\$41,692	4,515	Surprise	99,145	10,737
Springerville	17,729	1,920	Tempe	1,420,383	153,821
St. Johns	31,026	3,360	Tolleson	40,962	4,436
<u>Cochise County</u>			Wickenburg	44,000	4,765
Benson	\$37,998	4,115	Youngtown	24,876	2,694
Bisbee	60,021	6,500	<u>Mohave County</u>		
Douglas	136,479	14,780	Bullhead City	\$248,764	26,940
Huachuca City	17,914	1,940	Colorado City	29,456	3,190
Sierra Vista	349,184	37,815	Kingman	154,845	16,769
Tombstone	12,974	1,405	Lake Havasu City	335,056	36,285
Willcox	32,624	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$46,816	5,070
Flagstaff	\$503,068	54,480	Pinetop-Lakeside	30,481	3,301
Fredonia	11,543	1,250	Show Low	64,527	6,988
Page	73,410	7,950	Snowflake	38,044	4,120
Williams	24,839	2,690	Taylor	24,516	2,655
<u>Gila County</u>			Winslow	99,543	10,780
Globe	\$65,174	7,058	<u>Pima County</u>		
Hayden	8,403	910	Marana	\$56,457	6,114
Miami	18,837	2,040	Oro Valley	181,513	19,657
Payson	101,611	11,004	Sahuarita	21,340	2,311
Winkelman	6,242	676	South Tucson	50,344	5,452
<u>Graham County</u>			Tucson	4,098,263	443,823
Pima	\$17,083	1,850	<u>Pinal County</u>		
Safford	81,010	8,773	Apache Junction	\$180,294	19,525
Thatcher	36,539	3,957	Casa Grande	192,806	20,880
<u>Greenlee County</u>			Coolidge	65,146	7,055
Clifton	\$27,656	2,995	Eloy	82,321	8,915
Duncan	6,787	735	Florence	105,175	11,390
<u>La Paz County</u>			Kearny	22,669	2,455
Parker	\$27,240	2,950	Mammoth	18,099	1,960
Quartzsite	18,514	2,005	Superior	32,181	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$210,267	22,771	Nogales	\$190,728	20,655
Buckeye	44,850	4,857	Patagonia	8,726	945
Carefree	21,109	2,286	<u>Yavapai County</u>		
Cave Creek	28,404	3,076	Camp Verde	\$68,932	7,465
Chandler	1,222,213	132,360	Chino Valley	57,971	6,278
El Mirage	53,012	5,741	Clarkdale	24,008	2,600
Fountain Hills	130,624	14,146	Cottonwood	60,437	6,545
Gila Bend	16,132	1,747	Jerome	4,248	460
Gilbert	547,927	59,338	Prescott	287,048	31,086
Glendale	1,686,267	182,615	Prescott Valley	148,141	16,043
Goodyear	85,415	9,250	Sedona	82,127	8,894
Guadalupe	50,399	5,458	<u>Yuma County</u>		
Litchfield Park	34,526	3,739	San Luis	\$74,112	8,026
Mesa	3,122,173	338,117	Somerton	53,779	5,824
Paradise Valley	114,945	12,448	Wellton	10,397	1,126
Peoria	688,533	74,565	Yuma	579,821	62,792
Phoenix	10,613,719	1,149,417			
Queen Creek	28,367	3,072	TOTAL	\$31,475,916	3,408,697

TABLE 3
Transaction Privilege and Severance Tax Returned to Cities/Towns
June 2000

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,296,980	168,176
Eagar	\$34,820	4,515	Surprise	82,804	10,737
Springerville	14,807	1,920	Tempe	1,186,274	153,821
St. Johns	25,912	3,360	Tolleson	34,211	4,436
<u>Cochise County</u>			Wickenburg	36,748	4,765
Benson	\$31,735	4,115	Youngtown	20,776	2,694
Bisbee	50,128	6,500	<u>Mohave County</u>		
Douglas	113,984	14,780	Bullhead City	\$207,762	26,940
Huachuca City	14,961	1,940	Colorado City	24,601	3,190
Sierra Vista	291,631	37,815	Kingman	129,323	16,769
Tombstone	10,835	1,405	Lake Havasu City	279,831	36,285
Willcox	27,247	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$39,100	5,070
Flagstaff	\$420,152	54,480	Pinetop/Lakeside	215,457	3,301
Fredonia	9,640	1,250	Show Low	53,892	6,988
Page	61,311	7,950	Snowflake	31,774	4,120
Williams	20,745	2,690	Taylor	20,475	2,655
<u>Gila County</u>			Winslow	83,136	10,780
Globe	\$54,432	7,058	<u>Pima County</u>		
Hayden	7,018	910	Marana	\$47,151	6,114
Miami	15,733	2,040	Oro Valley	151,596	19,657
Payson	84,863	11,004	Sahuarita	17,823	2,311
Winkelman	5,213	676	South Tucson	42,046	5,452
<u>Graham County</u>			Tucson	3,422,781	443,823
Pima	\$14,267	1,850	<u>Pinal County</u>		
Safford	67,658	8,773	Apache Junction	\$150,578	19,525
Thatcher	30,517	3,957	Casa Grande	161,027	20,880
<u>Greenlee County</u>			Coolidge	54,408	7,055
Clifton	\$23,098	2,995	Eloy	68,753	8,915
Duncan	5,668	735	Florence	87,840	11,390
<u>La Paz County</u>			Kearny	18,933	2,455
Parker	\$22,751	2,950	Mammoth	15,116	1,960
Quartzsite	15,463	2,005	Superior	26,876	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$175,611	22,771	Nogales	\$159,292	20,655
Buckeye	37,457	4,857	Patagonia	7,288	945
Carefree	17,630	2,286	<u>Yavapai County</u>		
Cave Creek	23,722	3,076	Camp Verde	\$57,570	7,465
Chandler	1,020,766	132,360	Chino Valley	48,416	6,278
El Mirage	44,275	5,741	Clarkdale	20,051	2,600
Fountain Hills	109,095	14,146	Cottonwood	50,475	6,545
Gila Bend	13,473	1,747	Jerome	3,548	460
Gilbert	457,617	59,338	Prescott	239,736	31,086
Glendale	1,408,334	182,615	Prescott Valley	123,724	16,043
Goodyear	71,336	9,250	Sedona	68,591	8,894
Guadalupe	42,092	5,458	<u>Yuma County</u>		
Litchfield Park	28,835	3,739	San Luis	\$61,897	8,026
Mesa	2,607,572	338,117	Somerton	44,915	5,824
Paradise Valley	95,999	12,448	Wellton	8,684	1,126
Peoria	575,048	74,565	Yuma	484,254	62,792
Phoenix	8,864,350	1,149,417	TOTAL	\$26,288,007	3,408,697
Queen Creek	23,691	3,072			